(b) and (c) The Board of Directors of HFC considered the matter in their meeting held on 9.2.1992 and unanimously resolved that in view of the critical financial position of the Company, attempt should be made to find alternative employment for the staff working in FP&ARD; failing alternative employment within six months, the employees may be retired/discharged/retrenched in accordance with the rules. By that time, the Company had not been referred to the BIFR. However, no staff was retrenched. The matter was again considered by the Board in March, 1993, and the Board took note of the fact that the Company management had sent a detailed note to the Government bringing out the difficultiees in continuing with the FP&ARD without any grant from the Government/external funding agencies. The Board, however, directed that the management may continue using the existing staff of FP&ARD and incur minimum possible expenditure till the decision of the Government was conveyed to the Company.

Rate of Natural Gas to Produce Urea

2290. SHRI BHUPINDER SINGH MANN: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) the rate at which natural gas is made available to fertilizer plants for preparing urea;

(b) the cost of urea-production; and

(c) what is the conversion cost of urea in other countries of the world, and details of the cost of each component of urea separately?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI EDUARDO FALEIRO): (a) At present, the price of natural gas supplied to fertilizer plants at landfall point is Rs. 1750.00 per thousand cubic metres, excluding royalty, sales tax and transport charges. For gas supplied on HBJ pipeline, transport charges @ Rs. 850.00 per thausand cubic metres are payable in eddition. The price of gas in the North East region is Rs. 1000/- per thousand cubic metres. A discount upto a maximum of Rs. 400/- per thousand cubic metres is also available in the North East on a case-basis.

(b) The cost of production of urea by indigenous manufacturers varies from unit to unit depending upon the installed capacity, technology and feedstock used, as also the vintage of the unit. However, the current weighted average retention price (i.e. cost of production plus reasonable return on networth as determined by the Government for each unit) of urea is about Rs. 4900/- per tonne.

(c) The details of cost of production of urea in other countries is not available as the foreign suppliers do not normally divulge these facts.

Impact of Decentralisation of imports & Decontrol of Fertilizers on Fertilizer Industry

2291. SHRI KRISHNA KUMAR BHLA: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether Government have made any critical analysis of the impact on the production and consumption scenario of fertilizers and overall setback to the fertilizer industry with the hike in the prices followed by decentralisation of imports besides decontrol of phosphatic and potassic fertilizers;

(b) if so, the details thereof; and

(c) what measures are contemplated by Government to resolve the problems of the fertilizer industry?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI EDUARDO FALEIRO): (a) to (c) Decontrol of prices of phosphatic and potassic fertilizers led to increase in their prices in the open market, resulting in lower offtake. Lower off-take, couped with

cheaper decanalised imports of DAP, created difficulties for the indigenous manufacturers.

Some of the steps taken to cushion the impact of increase in prices of these fertilizers on farmers and to enable the domestic manufacturers to reduce the cost of production so as to compete with cheaper imports are as under:--

(i) Customs duty has been abolished on import of capital goods required for setting up new fertilizer plants and also for renovation/modernisation of the existing plants;

(ii) Customs duty has been abolished on import of phosphoric acid, a raw material for manufacture of phosphatic fertilizers;

(iii) A scheme for refund of customs duty paid on capital goods and 3 per cent concession in the interest on term loans, in respect of plants commissioned on or after 1.1.1991, has been sanctioned:

(iv) Railway freight has been reduced on movement of phosphatic and potassic fertilizers and their raw materials; and

(v) The special concession of Rs. 1000/- PMT on DAP and proportionate concession on other complex fertilizers including SSP, has been restricted to indigenous production during the current year, on last year's pattern, to enable the industry to compete with cheaper imports. A concession of Rs. 1000/- PMT is also being given on imported MOP.

Seminar on bulk drug industry

2292. SHRI KRISHNA KUMAR BIRLA: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to refer to answer to Unstarred Question 324 given in the Rajya Sabha on the 28th July, 1994 and state:

(a) whether a seminar on "Bulk drug industry-Emerging Global challenges was held at new Delhi in the month of June;

(b) if so, the details of the participants in the seminar;

(c) the outcome of the discussions held in the seminar;

(d) whether Government will have any price check on drugs in the policy; and

(e) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI EDUARDO FALEIRO): (a) to (c) The Bulk Drug Manufacturers' Association organised a seminar on "Bulk drug Industry-Emerging Global Challenges" on the 6th June, 94 at New Delhi which was attended by the representatives of the drug industry. Representatives of the Government ere also invitee to the seminar. Various aspects relating to the future growth and development of the bulk drug industry were discussed in the Seminar.

(d) to (e) The modifications needed in the existing Drug Policy related to various aspects of pharmaceutical industry, including pricing aspect, form part of the Review of the Drug Policy, 1986.

आयातित उर्वरक की तुलना में देश में उत्पादित उर्वरक की लागत

2295 श्री कनक मोहन सिंह सिंह मंगरोला : क्या रसायन और उर्वरक मंत्री यह बताने की कृपा करेंगे कि :

(क) पिछले दो वर्षों के दौरान देश में उर्वरक के कुल उत्पादन और खपत का राज्य-वार ब्यौरा क्या है ;

(ख) विगत दो वर्षों के दौरान उर्वरक का कितना आयात किया गया और इस पर कितनी विदेशी मुद्रा व्यय की गई;

(ग) क्या यह सच है कि आयातित उर्वरक के दामों की तुलना में देश में उत्पादित उर्वरक काफी मंहगा पड़ता है ।

(घ) यदि हां, तो इसके क्या कारण हैं; और